

# Exhibit 1: Request For Proposal

REQUEST FOR PROPOSAL (RFP)  
FOR  
WISCONSIN WORKS (W2) AND RELATED PROGRAMS  
**RFP # CFB00144**

Issued by:  
STATE OF WISCONSIN  
DEPARTMENT OF CHILDREN AND FAMILIES  
Division of Family and Economic Security  
Bureau of Working Families

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# **1. GENERAL INFORMATION**

## **1.1. Introduction**

The purpose of this document is to provide interested parties with the information needed to prepare and submit a proposal for the Wisconsin Works (W-2) and Related Programs implementation in various geographical areas within Wisconsin.

The State, as represented by its Wisconsin Department of Children and Families (DCF), will evaluate the responses to this Request for Proposal (RFP) to award the W-2 and Related Programs contracts for the calendar years 2013-2016.

W-2 and Related Programs include W-2, Job Access Loans (JALs), Refugee Cash Assistance (RCA), Refugee Medical Assistance (RMA), Emergency Assistance (EA), and the optional program of Contracted Child Care.

The Scope of Work (SOW), found in Exhibit 3, outlines the programs and services of the W-2 Program. Winning contractors shall fulfill all requirements outlined in this RFP including the following key services and others as outlined in the SOW.

- Determine financial and non-financial eligibility for W-2 and its related programs.
- Complete required assessments.
- Assign eligible parents to appropriate program placement.
- Assign individualized services based on assessment results.
- Provide the full range of W-2 services and activities.
- Provide case management services and supportive services.
- Provide employment services to help W-2 applicants and eligible parents to obtain jobs.
- Provide job retention services to enable eligible parents to remain employed.
- Provide advocacy services to connect W-2 applicants and eligible parents with Supplemental Security Income (SSI)/Social Security Disability Insurance (SSDI).

The 2013-2016 contracts will use a payment structure that includes a combination of capitated rate payments, performance-based payments and some program cost reimbursement. Details on the funding structure can be found in section 1.11. The capitation payment amount is based on the monthly caseload of enrolled eligible families. Contractors shall achieve specific performance outcomes to earn the performance-based payments. Program costs that are available for cost reimbursement are outlined in 1.13. W-2 contractors shall report expenditures as outlined in the contract.

The RFP selection process includes an evaluation of the responses to the implementation and programmatic questions as well an evaluation of a cost proposal. The Response Items are found in Exhibit 5 and Cost Proposal is found in Exhibit 6. A description of the evaluation plan for the Response Items and Cost Proposal is found in section 3 of this RFP text document.

The Department anticipates signing contracts no later than September 3, 2012. Successful contractors are expected to begin transition activities at the signing date to ensure their readiness to begin providing services on the first business day of January 2013. Contractors that do not meet the agreed upon transition benchmarks as identified in the contractor's transition plan risk a delay of their start-up date or early termination of their contract. The Department expects the winning contractors will provide the full range of services outlined in the Scope of Work on the first working day of January 2013.

The DCF Procurement Unit is the sole point of contact for the State of Wisconsin during the selection process. The person responsible for managing the procurement process is Sue Handrich-Herr, Purchasing Agent Sr., (608) 266-1539 or e-mail: DCFProcurement@wisconsin.gov. Contact with anyone else involved with this process without the prior authorization of DCF Procurement may result in the disqualification of your proposal.

Proposers shall not contract with or employ any State official, employee, agent, or individual retained as a full-time contractor by the State who has worked on the development of this RFP, or who had any influence on decisions affecting the RFP, until after contracts have been signed.

## **1.2. Definitions and Terms**

Throughout this RFP, references are made to certain terms, persons, groups or departments. A description of terms and definitions can be found in Exhibit 4: Acronyms and Definitions.

## **1.3. Background and Overview of Services Provided in Contract**

### **1.3.1. W-2 is Wisconsin's TANF Welfare-to-Work Program**

In 1996, welfare reform legislation was enacted via the federal Personal Responsibility and Work Opportunity Reconciliation Act (PROWRA). As a result, the Aid to Families with Dependent Children (AFDC) program, which was an entitlement program based on federal statutes and rules, was replaced with the Temporary Assistance for Needy Families (TANF) program, which provides block grants to states and allows states great latitude in developing Welfare-to-Work programs to assist eligible parents in becoming self-sufficient through employment. Under W-2, there is no assumption of entitlement to assistance.

Since 1997 Wisconsin has operated a Welfare-to-Work program titled Wisconsin Works (W-2). The W-2 program is available to parents of minor children whose family income is at or below 115% of the Federal Poverty Level (FPL). W-2 is based on work participation and personal responsibility. The program provides employment preparation services, case management and cash assistance to eligible families.

In Wisconsin, W-2 agencies are not responsible for administering the state's two child-only TANF programs described below:

- Wisconsin's Caretaker Supplement (CTS). The Wisconsin Department of Health Services administers this program. It is a cash benefit available to parents who are eligible for Supplemental Security Income (SSI) payments.
- Wisconsin's Kinship Care. This program is administered by DCF's Division of Safety and Permanence which works with local counties to provide child welfare services. Kinship Care is a program designed to help support a child who resides outside of his or her own home with a relative (such as an adult brother or sister, a first cousin, a nephew or niece, an uncle or aunt, or a grandparent, among others).

### 1.3.2. W-2 Program Goals and Approach

The goals of the W-2 program are to:

- Help eligible parents get and keep jobs.
- Help eligible parents, who are disabled significantly, for a long period of time, apply for, and receive Supplemental Security Income (SSI) /Social Security Disability Insurance (SSDI).

W-2 policies are guided by the consistent application of the following basic assumptions:

- Work is the best way for parents to support their families.
- Family income should improve when parents work.
- Consistent work is essential for parents to achieve economic stability.
- W-2 eligible parents are parents as well as job seekers.
- Eligible parents must be willing to participate in exchange for W-2 benefits.
- Families benefit from participating in W-2.
- W-2 matches the needs of working parents with the needs of local employers.

### 1.3.3. Overview of W-2 Services

The W-2 program is available to those who meet eligibility requirements and are willing to work to their ability. The W-2 program has placement categories which are designed to meet the needs of eligible parents of varying skill and circumstances. Placements are divided in to paid and unpaid classifications.

W-2 has the following *paid* placements:

- **Trial Jobs (Subsidized Employment)**. Trial Job placements are for individuals who have the basic skills, but lack sufficient work experience to meet employer requirements. Through a Trial Job contract, the employer agrees to provide the participant with on-the-job work experience and training in exchange for a wage subsidy. Trial Jobs are expected to result in permanent employment. The employer shall pay the participant a wage comparable to regular employees in similarly classified positions. Parents who participate in a Trial Job placement may be eligible for the state and federal Earned Income Tax Credit, FoodShare,

Medicaid, Wisconsin Shares child care assistance, Emergency Assistance, and Job Access Loans.

- **Community Service Jobs (CSJ).** CSJ placements are appropriate for individuals who lack the basic skills and work habits needed in a regular job environment. CSJ positions offer real work training opportunities, but with the added supervision and support needed to help the participant succeed. Families participating in a CSJ receive a maximum monthly cash assistance payment of \$653. This assistance is administered by the state. Individuals who are employed part-time, but have personal barriers that prevent them from increasing their work hours, may be placed in part-time CSJ positions with a pro-rated cash assistance payment. (See Exhibit 4: Acronyms and Definitions for an explanation of the various pro-rated CSJs.) In addition to cash assistance, parents in CSJ placements may be eligible for FoodShare, Medicaid, Wisconsin Shares child care assistance, Emergency Assistance, and Job Access Loans.
- **W-2 Transition (W-2 T):** W-2 T placements are appropriate for individuals who, because of employment or family barriers, are unable to perform independent, self-sustaining work. Individuals who have permanent employment barriers are assisted in securing federal Supplemental Security Income or Social Security Disability Insurance benefits. Parents in W-2 T placements receive a maximum monthly cash assistance payment of \$608. This assistance is administered by the state. In addition to cash assistance, parents in the W-2 T placement may be eligible for FoodShare, Medicaid, Emergency Assistance, and Wisconsin Shares child care assistance. Participants may receive either a CSJ payment or a W-2 T payment but they may not receive both payments.
- **Custodial Parent of an Infant (CMC).** CMC placements are appropriate for individuals who are the custodial parent of an infant eight weeks old or less. An individual in a CMC placement is not required to participate in activities, however he/she may volunteer to participate. Individuals in a CMC placement receive monthly cash assistance of \$673. This assistance is administered by the state. In addition to cash assistance, CMC eligible parents may be eligible for FoodShare, Medicaid, child care assistance, Emergency Assistance, and Job Access Loans.
- **At Risk Pregnancy (ARP).** ARP placements are available to unmarried women 18 or older who meets W-2 eligibility criteria except that she is not a custodial parent of a dependent child. An agency must verify a third trimester pregnancy and that pregnancy is an at risk pregnancy that causes her to be unable to work. Individuals in ARP placements receive cash assistance payments of \$673 per month. This assistance is administered by the state. In addition to cash assistance ARP eligible parents may be eligible for FoodShare and Medicaid.

Eligible parents in the At-Risk Pregnancy (ARP) and Caretaker of an Infant (CMC) placements are exempt from participating in W-2 activities. All others are expected to participate in assigned activities. W-2 activities are designed to help eligible parents

achieve their goal of finding and keeping employment or applying for and receiving Supplemental Security Income (SSI)/Social Security Disability Insurance (SSDI).

Participation in a Trial Job, Community Service Job, or W-2 Transition placement is limited to 24-months for each placement and all W-2 eligible parents are limited to a maximum lifetime limit of 60-months. Extensions for the 24-month or 60-month limit may be available on a limited basis when barriers exist that prevent employment.

Not all W-2 eligible parents receive cash assistance. Job-ready applicants, non-custodial parents, minor parents, and pregnant women who are not in an ARP placement may be eligible for an array of case management services. Custodial parents who are employed when they apply or become employed after participating in W-2 may also be eligible for case management services. See Exhibit 3, Scope of Work, for a description of case management services.

W-2 has the following *unpaid* placements:

- **Case Management for Job Ready Individuals (CMJ).** This placement is for individuals who are unemployed but are ready for unsubsidized employment. Most but not all of those placed in a CMJ enter as applicants.
- **Unsubsidized Employment (CMU).** This placement is for applicants who enter the W-2 program employed and are either already working full-time or do not have any barriers to full-time employment.
- **Case Management Follow Up (CMF).** This placement is for on-going W-2 participants who find employment while in W-2.
- **Non-custodial Parent (CMN).** This placement is for noncustodial parents of eligible children whose custodial parent is in a W-2 employment position.
- **Minor Parent (CMM).** This placement is for a custodial minor parent.
- **Pregnant Woman (CMP).** This placement is for pregnant women who do not have custody of any children.
- **Case Management Denied (CMD).** This placement is for individuals who have reached their time limit and are no longer eligible for a paid placement.

The W-2 *Related Programs* include the following:

- **Contracted Child Care.** Contracted Child Care is a child care program operated in the building where W-2 services are provided. Contracted child care is expected to be drop-in care that is very short-term (e.g., a few days while a participant participates in an interpersonal skills workshop), sporadic (e.g., a parent comes in for occasional appointments), or brief (e.g., a parent needs to

spend an hour using a computer). Contracted child care may not be used as a substitute for the Wisconsin Shares Child Care Subsidy program.

- **Emergency Assistance (EA).** Emergency Assistance provides funding to families with a child(ren) that meet all EA eligibility requirements including experiencing a current emergency due to homelessness, impending homelessness, energy crisis, fire, flood or natural disaster. EA does not require eligibility for any other public assistance program.
- **Job Access Loans (JAL).** Job Access Loans are short-term, interest-free loans that are intended to meet immediate and discrete expenses related to obtaining or maintaining employment.
- **Refugee Cash Assistance.** Refugee Cash assistance is a time-limited program for low income refugees who do not meet W-2 eligibility criteria. A parallel benefit is the Refugee Medical Assistance (RMA) program for those who do not meet Medicaid eligibility criteria. Eligibility for these benefit programs ends for refugees on the 240th day after arrival into the U.S. or the 240<sup>th</sup> day after granting of asylee/victim of trafficking/parolee status that entitled them to these refugee benefits. This is also known as the 8-month refugee benefits period.

#### 1.3.4. Current Service Delivery Structure of the W-2 Program in Wisconsin

The proposed service delivery structure outlined in this RFP is a departure from the current and past W-2 service delivery structures. Please refer to the links below for information about current and past W-2 service delivery. For a description of the current Milwaukee service delivery structure see the [2010 W-2 RFP<sup>1</sup>](#). None of these links includes information about the service delivery structure to be implemented January 1, 2013 as described in this RFP.

- W-2 and Related Programs Contract 2010-2012  
<http://dcf.wisconsin.gov/w2/contracts/20102011/default.htm>
- W-2 reports and studies [http://dcf.wisconsin.gov/reports\\_data.htm](http://dcf.wisconsin.gov/reports_data.htm)
- Current Balance of State map  
[http://dcf.wisconsin.gov/w2/pdf/bw2\\_contract\\_agencies\\_map\\_20102011.pdf](http://dcf.wisconsin.gov/w2/pdf/bw2_contract_agencies_map_20102011.pdf)
- Current Milwaukee map  
[http://dcf.wisconsin.gov/w2/pdf/mil\\_contracts\\_map\\_1011.pdf](http://dcf.wisconsin.gov/w2/pdf/mil_contracts_map_1011.pdf)
- Current Balance of State agency contact information  
[http://dcf.wisconsin.gov/w2/pdf/contract\\_agencies\\_bos10\\_11.pdf](http://dcf.wisconsin.gov/w2/pdf/contract_agencies_bos10_11.pdf)
- Current Milwaukee agency contact information  
[http://dcf.wisconsin.gov/w2/pdf/contract\\_agencies\\_mil10\\_11.pdf](http://dcf.wisconsin.gov/w2/pdf/contract_agencies_mil10_11.pdf)

#### 1.4. Contractor Geographical Areas

<sup>1</sup> [http://dcf.wisconsin.gov/w2/rfp/2010/pdf/p1\\_s2\\_2010\\_final\\_071309.pdf](http://dcf.wisconsin.gov/w2/rfp/2010/pdf/p1_s2_2010_final_071309.pdf)

For the 2013 contract, the state is divided into ten (10) geographical areas. Four (4) geographical areas are in Milwaukee County, and six (6) geographical areas are in the Balance of State (BOS). The geographical areas are identified below.

The BOS geographical areas were formed according to:

- regional configurations conforming to economic development and statistical (census) areas,
- consideration of the minimum caseload that will support the level of staffing required to provide the full range of W-2 services,
- economies of scale,
- the number of potential applicants residing in an area, and
- job and training resources.

The four (4) Milwaukee County Areas are divided by census tracts based upon the number of potential applicants residing in each area.

#### **1.4.1. Balance of State Geographical Areas**

The Balance of State (<http://dcf.wisconsin.gov/w2/rfp/2013/map.htm>) is divided into the following geographical areas:

- **Northwest Geographical Area.** The Northwest geographical area includes the following counties: Ashland, Barron, Bayfield, Burnett, Chippewa, Clark, Douglas, Dunn, Eau Claire, Iron, Pierce, Polk, Rusk, Sawyer, St. Croix, and Washburn. [http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile\\_bos\\_nw.pdf](http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile_bos_nw.pdf)
- **North Central Geographical Area.** The North Central geographical area includes the following counties: Adams, Green Lake, Juneau, Langlade, Lincoln, Marathon, Marquette, Menominee, Oneida, Portage, Price, Shawano, Taylor, Vilas, Waupaca, Waushara, and Wood. [http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile\\_bos\\_nc.pdf](http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile_bos_nc.pdf)
- **Northeast Geographical Area.** The Northeast geographical area includes the following counties: Brown, Calumet, Door, Florence, Fond du Lac, Forest, Kewaunee, Manitowoc, Marinette, Oconto, Outagamie, Sheboygan, and Winnebago. [http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile\\_bos\\_ne.pdf](http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile_bos_ne.pdf)
- **Western Geographical Area.** The Western geographical area includes the following counties: Buffalo, Crawford, Jackson, LaCrosse, Monroe, Pepin, Trempealeau, and Vernon. [http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile\\_bos\\_w.pdf](http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile_bos_w.pdf)
- **Southwest Geographical Area.** The Southwest geographical area includes the following counties: Columbia, Dane, Dodge, Grant, Green, Iowa, Jefferson, Lafayette, Richland, Rock, and Sauk. [http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile\\_bos\\_sw.pdf](http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile_bos_sw.pdf)

- **Southeast Geographical Area.** The Southeast geographical area includes the following counties: Kenosha, Ozaukee, Racine, Walworth, Washington, and Waukesha. [http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile\\_bos\\_se.pdf](http://dcf.wisconsin.gov/w2/rfp/2013/attachments/profile_bos_se.pdf)

#### **1.4.2. Milwaukee Geographical Areas**

Milwaukee County is divided into four geographical areas, Northern, East Central, West Central, and Southern. Boundaries for the four areas are based on 2010 census tract data and W-2 caseload distribution for the eighteen-month period from January 1, 2010 through July 31, 2011. <http://dcf.wisconsin.gov/w2/rfp/2013/milwaukee.htm>

The Department considered the following in determining the boundaries:

- the irregular configuration of the 2010 contract boundaries;
- the arterial boundaries created by the interstates, waterways, and major through-ways;
- the high level of low-income families clustered within the census tracts in central Milwaukee;
- the caseload distribution based on the projected movement within the W-2 population in Milwaukee; and
- the distribution of the current Milwaukee County W-2 caseload.

#### **1.4.3. Tribes**

Wisconsin residents who are members of a tribe may receive TANF services through their tribe if that tribe provides Tribal TANF services. The Administration for Children and Families web site provides information about Tribal TANF programs in Wisconsin: <http://www.acf.hhs.gov/programs/ofa/dts/approvedttgrants.html>. If a tribe exercises its option to create or discontinue a tribal Temporary Assistance for Needy Families (TANF) program it may impact the number of participants for the affected geographical area.

#### **1.4.4. Information Specific to Each Geographical Area**

Below are links to the Wisconsin State map, the Milwaukee County map, and other various websites that will provide information about the ten (10) geographical areas and the entire state. The maps show the new W-2 geographical areas. The Wisconsin State map provides additional W-2 and Related Programs data for Milwaukee County and the geographical areas outside Milwaukee County. Each geographical area on the map contains links to data on that area.

- Balance of State Map <http://dcf.wisconsin.gov/w2/rfp/2013/map.htm>
- Milwaukee Map <http://dcf.wisconsin.gov/w2/rfp/2013/milwaukee.htm>
- U.S. Census Bureau State and County Quick Facts: <http://quickfacts.census.gov/qfd/states/55000.html>
- Wisconsin Technical Colleges: <http://www.witechcolleges.org/>

- Wisconsin Workforce Development Boards: <http://www.wwda.org/site/index-3.html>
- Wisconsin Job Centers: <https://jobcenterofwisconsin.com/>
- Wisconsin Community Action Agencies: <http://www.wiscap.org/>
- Wisconsin Tribes: <http://witribes.wi.gov/>

### 1.5. Who May Propose

Entities eligible to submit proposals under this RFP are agencies with the capacity to effectively administer W-2 and Related Programs as defined in the Scope of Work. Eligible entities include but are not limited to:

- Government agencies, or incorporated entities created by government entities;
- Private, not-for-profit entities;
- Private, for-profit entities; and
- Tribal governing bodies.

Additionally, Proposer Agencies shall have:

- Sufficient financial resources to start up and operate the program.
- An executive management staff with experience managing employment and training programs for low- income populations.

**1.5.1. The Contractor shall maintain a structure which permits the Department to hold it accountable as a single entity, as opposed to a structure in which the W-2 Contractor is made up of co-equal partners, each of whom is accountable for only its specific contracted responsibilities. The W-2 Contractor shall be able to carry out its responsibilities as a single organizational unit with a single executive management structure. The executive management shall have sufficient powers to provide, purchase or subcontract for services necessary to meet its contractual obligations as a W-2 Contractor, without such decisions requiring prior authorization from partner agencies. The W-2 executive management shall maintain management control over the W-2 Contractor workforce, exercised either through direct hiring or through subcontracts. Please see Exhibit 2: Contract Agreement for subcontracting rules. Minimum Staff Requirements**

Contractor shall employ staff experienced in assisting low-income individuals increase their skills and education, prepare for employment, and find and retain stable jobs.

The Contractor shall maintain the following minimum staff positions with specified qualifications to work with applicants and eligible parents.

**W-2 Program Director.** With overall accountability for program performance, quality of service, and contractual commitments to the Department, the Program Director provides strategic, fiscal and operational leadership. The Program Director is responsible for analyzing program performance and making decisions to ensure that

goals and objectives are met. The Program Director is also responsible for developing the Provider's staffing plan and ensuring that the plan is properly executed. The Program Director is not necessarily responsible for the day-to-day W-2 activities of the organization and is not required to spend 40 hours per week focused on only W-2 activities.

The Program Director shall have a combination of education, training and experience that demonstrates the ability to perform the duties as described; shall have held a leadership position in an organization that provides adult learning, workforce development, career training, employment placement or other related employment services targeting populations similar to Department's W-2 TANF population; shall have demonstrated competencies in communication, strategic planning, problem solving, financial management, team leadership; and shall have strong organizational and business management skills.

**W-2 Program Manager.** The Program Manager is responsible for day-to-day operations, performance management, staff management and continuous improvement related to the DCF contracted services. The Program Manager works closely with the Program Director to resolve complex issues and execute the strategies and plans developed by the Program Director. The Program Manager is responsible for specifying, implementing, and continuously improving robust and efficient business processes that will provide excellent customer service and deliver positive outcomes. The Program Manager shall work exclusively on the W-2 Project. A Contactor may combine the Program Manager and Program Director roles; however the education and experience shall reflect the Program Director requirements. This position requires a combination of education, training and experience that demonstrates the ability to perform the duties as described.

**Quality Assurance Manager.** The Quality Assurance Manager is responsible for developing a quality assurance plan for the W-2 and Related Programs, staff training, and program integrity. The Quality Assurance Manager will work closely with the W-2 Program Manager in implementing a quality assurance system that monitors and ensures continuous improvement in service delivery. This position requires a combination of education, training and experience that demonstrates the ability to perform the duties as described

**Finance Manager.** This position requires a combination of education, training and experience that demonstrates the ability to manage budgets for state or local government contracts. The Finance Manager may have responsibility for support of multiple projects.

**IT Manager.** This position requires a combination of education, training and experience that demonstrates the ability to manage the IT and telecom needs of complex start-up and continuing projects. The IT Manager may have responsibility for multiple projects.

**Financial and Employment Planner (FEP).** This is a case manager employed the W-2 Agency directly or by subcontract, who determines eligibility, assists in the process of determining eligibility, or performs case management functions. FEP includes a case manager who specializes in employment attachment and retention, assists W-2 participants with special needs, or assists W-2 participants with the Supplemental Security Income (SSI) and Social Security Disability Income (SSDI) application process. Agencies must employ at least one (1) FEP. [WI Statute 49.143 (2)(c)].

### **1.6. Proposer conference**

A Proposers Conference will be held on April 20, 2012, from 9:00am - 1:00pm at Wisconsin Department of Children and Families, 201 E. Washington Ave., Room D203 in Madison to respond to questions and to provide any needed additional instruction to vendors on the submission of proposals. All proposers who intend to respond to this RFP are encouraged to attend the proposer conference, but it is not mandatory. Aside from attending in-person the Proposer Conference will be webcast via MediaSite. Any proposer who attends via MediaSite must sign-in to have the ability to submit questions.

The link and instructions to access the conference using MediaSite will be posted to the W-2 Request for Proposal Website at least 48 hours prior to the start of the conference. <http://dcf.wisconsin.gov/w2/rfp/2013/default.htm>.

Proposers are encouraged to submit their questions in writing by April 16, 2012 following the instructions in section 1.7 of this RFP to ensure answers are available the day of the conference. All questions and answers from the conference will be provided in an amendment and posted on the DCF 2013 W-2 Request for Proposal Website. <http://dcf.wisconsin.gov/w2/rfp/2013/default.htm>.

### **1.7. Clarification and/or revisions of this RFP**

Proposers are expected to raise any questions, noted errors, discrepancies, ambiguities, exceptions, additions or deficiencies they have concerning this proposal in writing through e-mail to:

Sue Handrich-Herr, Procurement

E-mail: [DCFProcurement@wisconsin.gov](mailto:DCFProcurement@wisconsin.gov)

The deadline for questions to be addressed at the Proposer Conference is April 16, 2012. Questions submitted after that date may not be answered at the conference but will still be addressed in the addendum that follows. The final deadline for all questions is April 24, 2012. The Department will post the responses to all questions including those raised and answered at the Proposer conference to the DCF 2013 W-2 Request for Proposal Website. <http://dcf.wisconsin.gov/w2/rfp/2013/default.htm>.

If a proposer discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this proposal after the above date, they shall immediately notify the above

named individual of such error and request modification or clarification of the proposal document before the proposal opening date.

If the proposer fails to notify DCF prior to the proposal due date of any condition stated above that reasonably should have been known to the proposer, and if a contract is awarded to that proposer, the proposer shall not be entitled to additional compensation or time by reason of the error or its correction.

Revisions to this request for proposal will be made only by an official written amendment issued by the DCF Procurement Unit and posted to the DCF2013 W-2 Request for Proposal Website. <http://dcf.wisconsin.gov/w2/rfp/2013/default.htm>. Proposers may attach additional relevant information to their proposal response.

### **1.8. Reasonable accommodations**

DCF will provide reasonable accommodations, including the provision of informational material in an alternative format, for qualified individuals with disabilities upon request. If you think you need accommodations at a proposer conference, contact Sue Handrich-Herr, Procurement, at (608) 266-1539 (voice) or Wisconsin Telecommunications Relay System (TTY) at 1-800-947-3529.

### **1.9. Calendar of events**

Listed below are specific and estimated dates and times of actions related to this Request for Proposal (RFP). The actions with specific dates shall be completed as indicated unless otherwise changed by DCF. In the event that DCF finds it necessary to change any of the specific dates and times, it will do so by issuing amendments to this RFP. There may or may not be a formal notification issued for changes of the estimated dates and times.

DATE	EVENT
April 5, 2012	RFP issuance date
April 16, 2012	Deadline for submitting questions for Proposer conferences
April 20, 2012	Proposer conferences
April 24, 2012	Last day for submitting written questions
April 27, 2012	Post amendments to DCF 2013 W-2 Request for Proposal Website. <a href="http://dcf.wisconsin.gov/w2/rfp/2013/default.htm">http://dcf.wisconsin.gov/w2/rfp/2013/default.htm</a> , which include answers to questions, supplements and/or revisions to the RFP
June 11, 2012	Proposals due on or before 2:00 p.m.
July 9-13, 2012	Interviews/presentations (estimated)
July 23-27, 2012	Negotiation of best and final offer (estimated)
August 1, 2012	Notification of intent to award sent to proposers (estimated)
September 1, 2012	Contract award and signed (estimated)
January 1, 2013	Contract start date

### **1.10. Contract term**

The contract shall be effective on the contract execution date (unless amended in writing by mutual agreement due to implementation delay) and shall run for four (4) years from January 1, 2013, to December 31, 2016, with an option by mutual agreement of the agency and contractor, to renew for up to four (4) times, each time for up to an additional two-year period, for a maximum of twelve (12) years. DCF will notify the contractor six (6) months prior to the end of each contract term if it intends to renew the contract for another term. The two-year extensions may be reduced to one-year extensions at that time if DCF determines it to be in their best interest.

### **1.11. Payment Structure**

This procurement will establish an incentive contract based on fixed-price payments determined by a competitive cost proposal for specified activities and outcomes the Department has determined to be highly important to the success of the W-2 program. The contract will provide payments as outlined below.

A maximum annual budget amount for each geographical area is listed in Table 1 below. Total payments to a contractor for enrolled participants, program outcomes, and Federal Work Participation Rate attainment may not exceed the maximum annual budget amount in a geographical area except as provided in section 1.11.5.3. The Department will determine a new maximum annual budget amount for each geographical area on an annual basis prior to August of each contract year.

**Table 1. Maximum Annual Budget Amounts**

<b>Geographical Area</b>	<b>Maximum Budget Amount</b>
Milwaukee (Northern)	\$8,835,815
Milwaukee (West Central)	\$8,835,815
Milwaukee (East Central)	\$8,835,815
Milwaukee (Southern)	\$8,835,815
Southeast	\$4,867,232
Southwest	\$3,689,232
Western	\$ 872,686
Northwest	\$1,741,219
North Central	\$2,271,732
Northeast	\$3,352,487

#### **1.11.1. Payment Structure Overview**

Payments will consist of the following:

- A monthly capitation amount for each enrolled participant as defined in section 1.11.4 of this RFP.
- An amount for defined performance outcomes based on the fixed prices for the following performance outcomes as defined in section 1.11.5 of this RFP. The total annual performance payments will depend on the number of performance targets met during the year. The performance outcomes are:

- Job Attainment
- Long -Term Participant Job Attainment
- High Wage Job
- Job Retention
- SSI/SSDI Attainment
- A quarterly performance fee for the attainment of the 50% Federal All Families TANF Work Participation rate in the Contractor's geographical area during the quarter. No performance fee will be paid for lower than 50% work participation rate, even if a lower rate meets federal requirements in effect at the time. (See section 1.11.6). This payment is not included in the maximum annual budget.

Reimbursement of benefits paid for Emergency Assistance Payments and Refugee Cash Assistance, costs associated with on-site Contracted Child Care, and Refugee Services funded by the Federal Office of Refugee Resettlement will be paid separately from the above W-2 payment structure through allowable cost reimbursement as provided in section 1.13. These reimbursement amounts are not included in the maximum annual budget.

All claims for the previous calendar year shall be submitted by March 31 of the following year.

The Department reserves the right to review claims for specific outcomes before payment is made. Failure of verification or fraudulent or insufficient documentation may result in denial of claim or recoupment of any payment made in error and may result in penalties. (See Exhibit 2: Proposed Contract, section V.B.3.)

The Department and the Contractor may renegotiate the target quantity and price for each performance category on an annual basis in August of each year for the following calendar year, beginning August 1, 2013.

#### **1.11.2. Pre-payments**

There shall be no pre-payments to contractors based on anticipated service to enrolled participants, anticipated achievement of performance outcomes, anticipated attainment of the Work Participation Rate, or anticipated reimbursable costs.

#### **1.11.3. Start-up funds**

Start-up funds are not available under this contract. Proposers must have the financial capacity to support their transition and start-up activities prior to receiving the payments described in sections 1.11.4 and 1.11.5 below. The Department may, at its discretion, conduct a pre-audit prior to selecting the winning proposer to assure the proposer has sufficient financial capacity to support program start-up.

#### **1.11.4. Monthly Capitated Payments**

Contractors are paid a monthly capitated amount. The monthly capitated amount is based on the capitated rate times the number of participant families enrolled in the W-2 program at any time during a month, including all paid and unpaid placements as defined in section 1.3.3. The monthly capitated amount shall compensate Contractors for a portion of the monthly cost of serving participant families in W-2 and applicants for and recipients of Emergency Assistance, and Job Access Loans. The monthly capitated amount does not compensate the Contractor for W-2 benefits which are paid directly by DCF, or for Emergency Assistance Benefits, Refugee Cash Assistance (RCA) benefits and services, or Contracted Child Care for which the contractor is paid as an expense based reimbursement.

The number of eligible enrolled participant families will be determined through a monthly WebI Report using during-the-month (DTM) participant family information, to ensure that any participant family served in a month is included in the total. Reports are generated on the first Monday following the first full work week of each month. Payments will be generated through Automatic Clearing House (ACH) on the fifth (5th) business day following the day after the second business Monday of the month based on the total monthly enrollment in this report. The dates for submission of claims from the agency and the subsequent payment generation dates can be found on the Payment Claims and Processing Calendar 2013 at [http://dcf.wisconsin.gov/w2/rfp/2013/attachments/claim\\_payment\\_calendar\\_2013.doc](http://dcf.wisconsin.gov/w2/rfp/2013/attachments/claim_payment_calendar_2013.doc).

When calculating the payment based on the monthly capitated amount, eligible participant families who are enrolled in the W-2 placement type CMF are only included for a maximum of three (3) consecutive months.

Payments based on the monthly capitated amount shall not exceed 60% of the total Budget Amount shown in Table 1 during the first year of the contract (CY 2013), 50% during year 2 (CY 2014), and 40% during years 3 and 4 (CY 2015 and CY 2016). In their cost proposals for the first year of the contract, Proposers may compute their proposed capitated amount using less than 60% of the maximum budget for each geographical area. Amounts not expended for capitated payments may be paid in performance payments at the department's discretion. However, amounts not expended in performance payments because a contractor does not achieve proposed attainment levels may not be paid as capitated payments.

The Department has set an enrollment level for each geographical area based on the total participants served by the W-2 program in CY2011 as shown in Table 2. CY2011 was a record high year for W-2 enrollment, and enrollment began to decline in August 2011 and has continued to decline through February 2012. The target price for each geographical area was determined based upon current costs and evidence that larger agencies are more efficient in service delivery.

Proposers may use enrollment figures lower than the enrollment level in Table 2 in their cost proposals. However, the effect of using a lower enrollment is that Contractors may reach their maximum amount of capitated payments as identified in their cost proposal early in the calendar year and still be obligated to provide ongoing

services to eligible families through the remainder of the year. To assure that capitated payments continue for most, if not all the period of time that eligible families are being served by the Contractor, cost proposals using less than 50% of the enrollment shown in Table 2 will be considered non-responsive. Proposers will receive higher scores for proposing a larger quantity and a lower price for each of the performance outcomes listed in Table 2.

**Table 2. Annual Duplicated Participant Enrollment and Target Price**

<b>Geographical Area</b>	<b>Annual Duplicated Enrollment in 2011</b>	<b>Target Price</b>
Milwaukee (Northern)	39,475	\$132
Milwaukee (West Central)	39,475	\$132
Milwaukee (East Central)	39,475	\$132
Milwaukee (Southern)	39,475	\$132
Southeast	21,200	\$135
Southwest	16,400	\$132
Western	2,100	\$245
Northwest	5,300	\$193
North Central	9,300	\$144
Northeast	14,750	\$134

The Department reserves the right to unilaterally change the enrollment level based on the availability of funds for benefits or other unforeseen program changes. The Department will provide 30-days notice of any change in the enrollment to the Contractor and permit the Contractor to renegotiate its capitated payment amount if the increase or decrease in the enrollment level exceeds 10%.

The Department and the Contractor may renegotiate the capitated amount on an annual basis in August of each year for the following calendar year, beginning August 1, 2013.

#### **1.11.5. Payments Based on Performance**

DCF has defined a set of program outcomes for which it will issue performance payments. DCF has defined both its target prices per outcome and its target number of expected outcomes per year. The target number for each pay for performance item is based on 2011 results of current contractors, historical performance results over time, expected improvement in the economy, and anticipated improvements in services based on larger geographical areas and larger agencies that can provide specialized services not currently offered by all W-2 agencies. The Department believes the targets in Table 3 are attainable by well-qualified Contractors providing the full scope of services sought in this RFP and that Proposers may reasonably conclude they can produce higher quantities of outcomes based on their experience and expertise. The prices and quantities shown in Table 3 reflect the department's priorities for the program. The sum of the product of all target prices and target quantities for each pay for performance item approximates the total budget amount available for performance payments in each geographical area assuming the capitated

amount paid to Contractors in each geographical area equals 60% of the maximum budget for the geographical area. Contractors shall identify a proposed quantity and a proposed price for each performance outcome in their cost proposal. Proposals will be evaluated on both the proposed quantity and proposed price for each performance outcome. Proposers will receive higher scores for proposing a larger quantity and a lower price for each of the performance outcomes listed in Table 3.

**Table 3. Target Price and Target Quantity of Performance Outcomes for 2013.**

<b>Target Price</b>	<b>Pay for Performance Outcome</b>	<b>Each Milwaukee Area</b>	<b>Southeast</b>	<b>Southwest</b>	<b>Western</b>	<b>Northwest</b>	<b>North Central</b>	<b>Northeast</b>
\$1250	Minimum Job Attainment	809	521	397	94	164	247	363
\$1000	Minimum Long-Term Attainment	216	18	7	2	2	2	2
\$750	Minimum High Wage Attainment	188	94	106	13	24	42	56
\$2000	Minimum Retention Attainment	944	532	365	97	210	250	378
\$1250	Minimum SSI/SSDI Attainment	162	85	108	15	31	39	48

#### **1.11.5.1. Submitting Claims for Performance Payments.**

Performance payments are paid to Contractors each month on a per outcome basis. Contractors are responsible for collecting valid, accurate information which can verify each outcome. Documentary verification must be available in the Electronic Case File (ECF) prior to submission of a claim for payment. Contractors shall submit a monthly claim by the first (1st) business day of the month listing the number of specific outcomes achieved during prior months. Contractors may delay submitting claims until a later claim submittal date; however, Contractors may not submit duplicate claims for the same outcome.

Comprehensive expense reporting is required prior to payments being issued even though costs are not the basis for contractor payments. Upon submission of timely CORE reports payments will be made monthly. Note: W-2 participant benefit payments will be issued directly from the state. These payments are based on the

W-2 participant's data entered into CARES by the W-2 Contractor. See Exhibit 2 – Contract, section V.B. for more details. All transition expenses should be reported with the initial expenditure report.

Payments will be generated through ACH from that submission on the (5th) business day following the day after the second business Monday of the month. This will correspond with the payment date for capitated payments. The Department will review a sample of each claim submission for accuracy and reserves the right to request additional verification or to deny payment for unsubstantiated claims. See Schedule of Payments for 2013. [http://dcf.wisconsin.gov/w2/rfp/2013/attachments/claim\\_payment\\_calendar\\_2013.doc](http://dcf.wisconsin.gov/w2/rfp/2013/attachments/claim_payment_calendar_2013.doc)

**1.11.5.2. Payment for Additional Outcomes above the Proposed Quantity for a Performance Category.**

The Department may, at its sole discretion, pay for additional outcomes above the proposed quantities in the competitive cost proposal for each performance category up to the maximum budget for the geographical area. As indicated in section 1.11.4, if capitated payments equal less than the maximum percentage of the maximum budget allocated to such payments, unspent capitation funds may, at the Department's discretion, be used for performance payments above the maximum proposed quantity; however, unspent performance payments may not be used for capitation payments.

Proposers shall not assume that payments for quantities above the proposed quantities in the cost proposal will be approved. Proposers shall structure their cost proposals based on reasonable maximum proposed quantities for each performance category. The Department may consider the Contractor's overall outcomes for each performance category in deciding whether to pay for additional outcomes in one category if the Contractor has not yet met its proposed quantity of outcomes in others. The Department may also consider the Contractor's performance in customer satisfaction surveys in deciding whether to pay for additional quantities above the proposed quantities in the proposal. Discretionary payments above the proposed quantities, if approved by the Department, will be paid by ACH based on a claim for payment as described in **Submitting Claims for Performance Payments** (Section 1.11.5.1).

**1.11.5.3. Payment for Additional Outcomes above the Maximum Budget for the Geographical Area.**

The Department may also negotiate prices in the best and final offer negotiations with the winning proposer in each geographical area which may be paid, at the Department's discretion, for additional outcomes above the total maximum budget in the geographical area. Discretionary payments above the maximum budget, if approved by the Department, will be paid by ACH based on a claim for payment as described in **Submitting Claims for Performance Payments** (Section 1.11.5.1)

**1.11.5.4. Performance Outcomes****a. Job Attainment Performance Outcome**

The Job Attainment outcome payment is payable under the following conditions:

- i. The Contractor has verified that the individual has secured unsubsidized employment that complies with all applicable state and federal labor laws;
- ii. The Contractor has verified that a single employment lasted at least 31 calendar days;
- iii. The Contractor has verified that either condition a) or b) below is met by hours worked or wages earned from one job or a combination of multiple jobs:
  - a). The Contractor has verified that the total hours worked (hours worked includes paid days off) equals or exceeds 110 hours in the 31 calendar days following the first day of employment, or
  - b). The Contractor has verified that the participant has earned at least \$870 in gross, unsubsidized wages in the 31 calendar days following the first day of employment.
- iv. The Contractor has verified that the individual who obtained employment met one of the following requirements as of 1 business day prior to the employment begin date:
  - a). The individual was in an open W-2 placement (excluding CMF and CMU), or
  - b). The individual's W-2 Program Request date is at least 1 business day prior to the employment begin date(s).
- v. The Contractor has verified that the Contractor has not received another Job Attainment payment for the individual in the 12 months prior to the employment begin date.
- vi. All verification submitted by the Contractor was received by the Contractor while the individual had an open W-2 placement and was in the same W-2 episode as the first day of employment.

**b. Long -Term Participant Job Attainment Performance Outcome**

Long-term participant job attainment is a payment to encourage agencies during the first year of contracting to place hard-to-serve eligible parents. Long-term eligible parents are defined as eligible parents already enrolled in W-2 who are carried into the contract on January 1, 2013 and who have used more than 24 months on the state clock, with six (6) or more months used in 2012. Contractors may earn a Long-Term payment in addition to a Job Attainment payment for the same individual so long as all requirements are met for both types of payments.

Contractors may submit a claim for the Long-Term Participant Job Attainment performance outcome when all of the following requirements are met:

- i. The Contractor has verified that the individual who obtained employment met all the requirements for the Job Attainment performance outcome;
- ii. The Contractor has verified that the Contractor has not received another Long-Term participant payment for the individual; and
- iii. The Contractor has verified that the participant has the following characteristics as of the contract begin date, the participant:
  - a). Has used at least 24 months of the 60-month state clock; and
  - b). Used 6 (six) or more months in 2012.

**c. High Wage Job Performance Outcome**

Contractors are encouraged to place eligible parents in high wage employment. Wage levels for each Geographical Area were determined by historical data identifying the starting wages within the areas.

Contractors may submit a claim for the High Wage Job performance outcome when all of the following requirements are met:

- i. The Contractor has verified that the individual has secured unsubsidized employment that complies with all applicable state and federal labor laws;
- ii. The Contractor has verified that a single high wage employment lasted at least 31 calendar days;
- iii. The Contractor has verified that the total hours worked in the high wage job (hours worked includes paid days off) equals or exceeds 110 hours in the 31 calendar days following the first day of employment.
- iv. The Contractor has verified that the individual who obtained employment met one of the following requirements as of 1 business day prior to the employment begin date:
  - a). The individual was in an open W-2 placement, or
  - b). The individual's W-2 Program Request date is at least 1 business day prior to the employment begin date(s).
- v. The Contractor has verified that the Contractor has not received another High Wage payment for the individual in the 12 months prior to the employment begin date;
- vi. The Contractor has verified that the hourly wage paid at the start of employment is equal or greater than the amount shown in Table 5.

**Table 5. High Wage Performance Outcome Top 15% Wage**

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<b>Geographical Area</b>	<b>Top 15% Wage Rate</b>
Milwaukee (Northern)	\$ 11.89
Milwaukee (West Central)	\$ 11.89
Milwaukee (East Central)	\$ 11.89
Milwaukee (Southern)	\$ 11.89
Southeast	\$ 11.45
Southwest	\$ 11.99
Western	\$ 10.70
Northwest	\$ 10.91
North Central	\$ 11.01
Northeast	\$ 11.00

**d. Job Retention Performance Outcome**

Contractors are eligible for job retention payments. Contractors are not eligible for job retention payments until after the first quarter of 2013, based on individuals placed in jobs during the first quarter of 2013.

Contractors may submit a claim for the Job Retention performance outcome when all of the following requirements are met:

- i.** The Contractor has verified that the individual has secured unsubsidized employment that complies with all applicable state and federal labor laws;
- ii.** The Contractor has verified that employment lasted at least 93 calendar days with no more than a single interruption of no more 14 calendar days;
- iii.** The Contractor has verified that either condition a) or b) below is met by hours worked or wages earned from one job or a combination of multiple jobs:
  - a).** The Contractor has verified that the total hours worked equals 330 hours in the 93 calendar days following the first day of employment.
  - b).** The Contractor has verified that the participant has earned at least \$2610.00 in gross, unsubsidized wages in the 93 calendar days following the first day of employment.
- iv.** The Contractor has verified that the individual who obtained employment met one of the following requirements as of 1 business day prior to the earliest employment begin date:
  - a).** was in an open W-2 placement.
  - b).** The individual's W-2 Program Request date is at least 1 business day prior to the employment begin date(s).

- v. The Contractor has verified that the Contractor has not received another Job Retention payment for the individual in the 12 months prior to the employment begin date.

**e. SSI/SSDI Attainment Performance Outcome**

Contractors may earn performance payments for assisting those W-2 eligible parents interested in pursuing SSI/SSDI and whom the Contractor believes have a reasonable chance of obtaining SSI/SSDI to apply for and obtain SSI/SSDI payments.

Contractors may submit a claim for the SSI/SSDI Attainment performance outcome when all of the following requirements are met:

- i. The Contractor has verified that the individual is eligible for SSI or SSDI benefits;
- ii. The Contractor has verified that the family had an open W-2 placement and that the Contractor claiming payment was providing SSI advocacy services to that individual for at least 60 days prior to the date that the individual became eligible for SSI or SSDI. (For January and February 2013, the 60 day service period is not required.)
- iii. The Contractor has verified that the individual's W-2 case has closed as a result of being determined eligible for SSI/SSDI. (Exception: In the case of two parent families the case may stay open because the agency has verified that only one parent became eligible for SSI/SSDI.)

**1.11.6. Additional Payments Based Upon the Federal Work Participation Rate**

The Department is required to meet the Federal Temporary Assistance for Needy Families (TANF) Work Participation Rate. Contractors have the responsibility to review W-2 policies and assign appropriate W-2 activities to eligible parents and take appropriate actions to ensure that the supervision, documentation and verification requirements are met (See Exhibit 3: Scope of Work). Contractors who meet the Federal All Families Work Participation Rate of 50% for their geographical area will be eligible for additional funding as listed in Table 6 (below) above the maximum budget amount. The payment amounts are based upon the 2011 caseload proportions for each geographical area. Reports are available through WebI for monitoring of work participation performance. Payments will be made quarterly. The dates for submission of claims from the agency and the subsequent payment generation dates can be found on the Payment Claims and Processing Calendar 2013 at [http://dcf.wisconsin.gov/w2/rfp/2013/attachments/claim\\_payment\\_calendar\\_2013.doc](http://dcf.wisconsin.gov/w2/rfp/2013/attachments/claim_payment_calendar_2013.doc).

<b>Table 6. Work Participation Rate Quarterly Payments</b>	
<b>Geographical Area</b>	<b>Quarterly Amount</b>
Milwaukee (North)	\$ 44,188

Milwaukee (West Central)	\$ 44,188
Milwaukee (East Central)	\$ 44,188
Milwaukee (South)	\$ 44,188
Southeast	\$ 20,500
Southwest	\$ 20,000
Western	\$ 2,500
Northwest	\$ 6,250
North Central	\$ 9,500
Northeast	\$ 14,500

### **1.12. Centralized Benefits**

Beginning with the 2013 contract, individual W-2 agencies will not have fiscal responsibility for disbursement or tracking of benefits (cash assistance) to W-2 eligible parents. The state will undertake the payment of grants as a direct state activity. DCF may impose enrollment limits on any or all geographical areas, at any time during the contract. Contractors are required to collect all required information for determining eligibility and process new applicants and ongoing eligible parents appropriately in CARES. Contractors shall place eligible parents in placements according to policy. The Department will monitor Contractors' adherence to policy. Any deviation from policy may result in penalties. See Contract Section V.B.3.

### **1.13. Cost Reimbursement**

The Department will reimburse Contractors through cost reimbursement payments only for the following program components: Emergency Assistance Payments, Contracted Child Care, Refugee Cash Assistance, and Refugee Services funded by the Office of Refugee Resettlement. All reimbursement claims should be submitted on the first Monday of the second full work week of the month. The dates for submission of claims from the agency and the subsequent payment generation dates can be found on the Payment Claims and Processing Calendar 2013 at [http://dcf.wisconsin.gov/w2/rfp/2013/attachments/claim\\_payment\\_calendar\\_2013.doc](http://dcf.wisconsin.gov/w2/rfp/2013/attachments/claim_payment_calendar_2013.doc).

Payments for these claims will be issued on Friday of the same week. Exceptions will be made for Emergency Assistance Payments. Contractors may submit EA claims via CORE by the second and fourth Tuesday of the month and will receive payment via ACH by Friday of the same week. Contractors shall assign a designated staff member who will have the authority to approve auxiliary and Job Access Loans payments. Emergency Assistance payments are not issued out of Department systems. These payments are issued directly by the Contractor and reimbursed by the Department.

## **2. PREPARING AND SUBMITTING A PROPOSAL**

### **2.1. General instructions**

The evaluation and selection of a contractor will be based on the information submitted in the proposal plus references and any required interviews or presentations. Proposers shall respond clearly and completely to all requirements. Failure to respond to each of the requirements in the RFP may be the basis for rejecting a proposal.

Elaborate proposals (e.g. expensive artwork), beyond that sufficient to present a complete and effective proposal, are not necessary or desired.

## **2.2. Incurring costs**

The State of Wisconsin is not liable for any cost incurred by proposers in replying to this RFP.

## **2.3. Submitting proposals**

Proposers shall submit, in a sealed package, One Original (identify) PLUS eight (8) hard copies of all materials, and one electronic copy of the entire proposal on CD or DVD in .DOC, .XLS, or .PDF formats. **Proposal shall be received on or before 2:00 p.m., June 11, 2012** by:

### **U.S. Mail:**

Sue Handrich-Herr  
WI Department of Children and Families  
Bureau of Finance  
P.O. Box 8916  
Madison, WI 53708-8916

### **UPS, Fed Ex, etc.: courier**

Sue Handrich-Herr  
WI Department of Children and Families  
Bureau of Finance  
201 East Washington Avenue, Rm. A200  
Madison, WI 53703

A proposer may hand deliver its proposal package on or before the date and time listed above.

More than one agency in this building receives bids at the 1st floor reception. Therefore it is recommended that all bid packages be sealed and clearly marked on the outside of the package with the following:

- WI Department of Children and Families, DMS Bureau of Working Families
- Proposer's Name and Address
- Wisconsin Works (W-2) and Related Programs
- RFP # CFB00144
- June 11, 2012, no later than 2:00 p.m.

Failure to properly identify your package(s) could result in the package(s) being misdirected and could lead to your response being disqualified.

All proposals shall be time-stamped at the 1st Floor Reception by the stated time. Proposals not so stamped will not be evaluated. Receipt of the proposal by the State mail system does not constitute receipt of the proposal by the DCF Procurement Office.

DCF does not accept facsimile machine or e-mail submitted proposals.

**COST PROPOSAL:** Submit Original plus one (1) copy from Exhibit 6. Seal in an envelope and submit within the proposal package. The outside of the envelope shall clearly state “Cost Proposal” and the name of proposer.

## **2.4. Proposal Organization and Format**

The original proposal and all copies shall be typed and submitted in three-ring binders on 8.5 by 11 inch white paper. DCF requests that Proposers print the proposals on double-sided paper to reduce waste and the costs associated with freight and storage. The maximum number of pages for the response to Exhibit 5 – Technical Response Items is 100 pages (50 double-sided). Required attachments as noted in Exhibit 5, dividers/tabs do not count as part of the 100 page limit (50 double-sided).

The minimum font size is eleven (11) points. All margins shall be one (1) inch, line spacing shall be set at 1.5, and font shall be Times New Roman. All forms, documents, attachments, and financial statements required under this RFP are a separate submittal and are not included as part of the 100 page limit (50 double-sided).

The Proposer Agency’s name shall appear on each page of the proposal. Each page shall be numbered and submitted with the dividers/tabs outlined below.

Each section shall be complete and whole. Do not respond with references to responses to other sections.

Proposers responding to this RFP shall comply with the following format requirements:

### **Tab 1: COVER LETTER and FORMS.**

Include here any cover letter, Form 1: Agency Identification, Form 2: Affidavit of Fair Competition, Form 3: Designation of Confidential and Proprietary Information (if applicable), Form 4: Minority Business Preference (if applicable), and Form 5: Proposer Checklist. Also include here any Acknowledgement of Amendment to the RFP forms (issued with any Amendments).

The person in the proposer’s organization, who is responsible for the proposal submittal, including prices, shall sign proposals submitted in response to this RFP. Each proposal shall stipulate that it is predicated upon the requirements, terms, and conditions of this RFP and any addendums/amendments thereof.

### **Tab 2: STATEMENT OF ECONOMIC INTEREST AND FINANCIAL STABILITY DOCUMENTATION**

Private (non-governmental) organizations proposing must complete and submit Form 6: Statement of Economic Interest along with a \$50.00 filing fee. In addition, they must respond by:

- Listing your assets, liabilities and sources of income (preferably attach a copy of your most recent audited financial statements).
- Listing all of your other clients in Wisconsin and describe the goods or services that you provide to each client.
- Listing all your subsidiaries, affiliates and parent companies, if any.

All private for-profit proposers responding to this RFP shall submit copies of their last three (3) years of tax returns. All private not-for-profit proposers shall submit their last three (3) years of 990 filings. Public proposers' financial stability will be determined by their previous audits already on file with DCF. The State may request additional reports on financial stability from an independent financial rating service in order to further substantiate stability. If the audit unit determines your agency does not have the financial stability to fulfill the requirements of this contract, you will be ineligible to receive an award based on this RFP.

**Tab 3: NARRATIVE RESPONSE TO TECHNICAL RESPONSE ITEMS**

Include here the Proposer's responses to the Technical Response Items listed in Exhibit 5. This section shall not exceed 100 pages (50 double-sided). Within this tab, each alphabetical response item shall have its own tab, 3A-3I. Each tab shall be complete in its response and not reference to other tabs.

**Tab 4: RELEVANT CONTRACT LIST**

Include here all the completed Form 7 Relevant Contract List from Exhibit 5: Technical Response Items. Submit a separate sheet for each contract listed.

**Separate Envelope: COST PROPOSAL**

Provide cost information as detailed in Exhibit 6 Cost Proposal. All costs, as requested, for furnishing the product(s) and/or service(s) shall be included in this proposal. The cost proposal shall NOT be listed in any other part of the proposal response.

**2.5. Multiple proposals**

Proposers intending to bid for more than one geographical area shall submit separate proposals for each. Each proposal shall conform fully to the requirements for proposal submission. Proposers may not submit more than one proposal for a single geographical area. Proposers may submit proposals for any or all of the geographical areas. In no instance will a single proposer be awarded all of the four Milwaukee Areas and in no instance will a single proposer be awarded all of the six BOS Areas. If a single proposer is determined to be the highest scoring proposer in all Milwaukee or all BOS Areas, DCF has the sole discretion to determine which area will be awarded to the second highest scoring proposer based on the best interest of the State.

The State will award one contract per geographical area; however, the State reserves the right to combine two or more geographical areas won by a single proposer into one contract.

## **2.6. Withdrawal of proposals**

Proposals shall be irrevocable until contract award unless the proposal is withdrawn in writing. Proposers may withdraw a proposal, in writing, at any time. The Purchasing Agent managing this RFP process shall receive the written withdrawal notice. An authorized representative of the proposer shall sign the notice. If a previously submitted proposal is withdrawn before the proposal due date and time, the proposer may submit another proposal at any time up to the proposal due date and time. Once withdrawn, the proposal will not be considered for any reason.

## **3. PROPOSAL SELECTION AND AWARD PROCESS**

### **3.1. Evaluation Committee**

The proposals will be evaluated by a committee selected for their special expertise and knowledge of the service(s) that are the subject of this RFP. Proposers may not contact members of the evaluation committee unless otherwise directed by the Purchasing Agent.

### **3.2. Right to reject proposals**

The agency reserves the right to reject any and all proposals. The State may negotiate the terms of the contract, including the cost proposal, with the selected proposer prior to entering into a contract. If contract negotiations cannot be concluded successfully with the highest scoring proposer, the agency may negotiate a contract with the next highest scoring proposer.

### **3.3. Preliminary evaluation**

The proposals will be initially reviewed to determine if mandatory requirements as identified in the RFP and Scope of Work are met. Proposers must submit Form 5: Proposer Checklist to indicate their acknowledgement, acceptance and submittal of the requirements. Failure to agree to mandatory requirements on Form 5 Proposer Checklist shall result in the proposal's rejection. In the event that all proposers do not meet one or more of the mandatory requirements, DCF reserves the right to reject that requirement and continue the evaluation of the proposals that most closely meet the mandatory requirements of this RFP.

### **3.4. Minority Business Enterprises (MBE)**

DCF shares in the state goal of placing five (5) percent of its total annual purchasing dollars with state-certified minority businesses. You, as a contractor, are strongly urged to use due diligence to further this policy by awarding subcontracts to minority-owned business enterprises or by using such enterprises to provide goods and services incidental to this agreement (second-tier suppliers), with a goal of awarding 5% of the contract price to such enterprises.

Proposals received from Wisconsin-certified Minority Business Enterprises (MBE) may have points weighted by a factor of 1.00 to 1.05 to provide up to a five percent (5%) preference to

these businesses. The evaluation committee's scoring will be tabulated and proposals ranked based on the numerical scores received.

### **3.5. Technical Review of Proposal**

The evaluation committee will review the proposals for technical quality in a series of steps. The scores across all evaluation committee members for each response will be summed and averaged. Proposals must receive a passing score at each step in order to advance in the review process. Section 3.6 below summarizes the point distribution for each section of the proposal. The Technical Response Items are found in Exhibit 5: Technical Response Items.

#### **Step 1: Panel Review of Organizational Capacity Response Items (100 points) and Transition Plan Response Items (100 points)**

Proposers shall respond to the questions listed in Exhibit 5: Technical Response Items. The evaluation committee will evaluate each response to the Organizational Capacity and Transition Plan, and all relevant attachments. Proposals receiving less than 50 points for either section will not proceed to the next level of review.

#### **Step 2: Panel Review of Service Delivery Response Items (500 points)**

The evaluation committee will evaluate the Proposer's response to the remaining sections of the Technical Response Items (i.e. Service Delivery Model Overview, Job Attainment, SSI/SSDI Attainment, Meeting Federal TANF Work Participation Rates, Refugee Service Delivery Plan, Quality Management, and Budget Appropriateness.) The reviewers will rate each section separately. The combined average of the scores in this section must equal 250 points or more for the proposal to move forward in the review process.

#### **Step 3: Cost Calculation. 300 points.**

The proposals passing step 2 will move forward to the cost proposal review process. The Department will evaluate the performance portion of cost proposals on three criteria:

1. The proposed quantity of outcomes for each performance category.
2. The proposed price for each outcome within each performance category.
3. The total budget for all performance categories.

Proposed quantities above the Department's target quantities for each performance category will receive more points, and proposed quantities lower than the Department's targets will receive fewer points as described in section 5.1. If the sum of all proposed costs for each performance category (proposed quantity times proposed price for the performance category) plus the total proposed budget for capitated payments exceeds the total maximum budget for the geographical area, the proposal will be considered non-responsive. The cost proposal section of

the proposal will be calculated by the procurement lead using the methodology described in section 5.0.

### 3.6. Evaluation Criteria

The proposals' response items will be scored using the scale:

<b><u>TECHNICAL RESPONSE ITEMS</u></b>		<b><u>POINTS</u></b>	<b><u>TOTAL</u></b>
Step 1	A. Organizational Capacity	100	100
	B. Transition Plan	100	100
Step 2	C. Service Delivery Model Overview	100	500
	D. Job Attainment	80	
	E. SSI/SSDI Attainment	60	
	F. Meeting Federal Work Participation Rates	60	
	G. Refugee Services	60	
	H. Quality Management Plan	60	
	I. Budget Appropriateness	80	
<b>TOTAL TECHNICAL REVIEW</b>			<b>700</b>

<b><u>COST CALCULATION</u></b>		<b><u>POINTS</u></b>	<b><u>TOTAL</u></b>
Step 4	1.11.4 Capitation Rate	100	300
	1.11.5 Performance Outcomes	200	
<b>TOTAL OF COST CALCULATION</b>			<b>300</b>

TOTAL TECHNICAL REVIEW	700
TOTAL OF COST CALCULATION	300
<b>TOTAL TECHNICAL REVIEW AND COST CALCULATION</b>	<b>1000</b>

### 3.7. Interviews and Presentations

The evaluation committee may invite the top-scoring proposers to an interview to support and clarify their proposal. Upon completion of any interviews/presentations by proposers, DCF's evaluation committee will review their evaluations and make adjustments to the technical scores based on the information obtained in the interview/presentation, possible reference checks, and any other pertinent proposer information.

### 3.8. Award and final offers

Award will be granted in one of two ways. The award may be granted to the highest scoring responsive proposal after the original evaluation process is complete. Alternatively, the highest scoring proposer or proposers may be requested to submit best and final offers. Best and final offers will be evaluated against the stated criteria, scored, and ranked by the evaluation committee. The award will then be granted to the highest scoring proposer following that process.

**3.9. Notification of intent to award**

All proposers who respond to this RFP will be notified in writing of DCF's intent to award the contract(s) as a result of this RFP.

After notification of the intent to award is made, and under the supervision of agency Procurement staff, copies of proposals will be available for public inspection from 8:00 a.m. to 4:00 p.m., at DCF Procurement, 2nd floor, 201 E. Washington Avenue, Madison, Wisconsin. Proposers must make appointments to ensure that space and time are available for the review. Contact Sue Handrich-Herr, Purchasing Agent Sr., 608-266-1539, to make an appointment.

**3.10. Appeals process**

All appeals must be made in writing and must fully identify any contested issues. Subjective interpretations by evaluators are not subject to protest or appeal. The written appeal must be based on one of the following factors:

1. A conflict of interest on the part of one or more evaluators;
2. Errors were made in the evaluation of proposals;
3. The evaluators did not adhere to the established evaluation criteria.

Any written protest of the Notice of Intent to Award Contracts must be fully documented and must be postmarked and filed with the Deputy Secretary of the Department of Children and Families, Room G200, 201 East Washington Avenue, P.O. Box 8916, Madison, WI 53708-8916, and received in that office no later than five (5) business days after the Notice of Intent to Award Contracts is postmarked.

For purposes of this provision, fax communications will suffice. Appellants must use (608) 261-6972 (fax number) for this purpose and confirm timely receipt by calling telephone (608) 266-8684.

The Deputy Secretary of Department of Children and Families shall review the appellant's basis for the appeal and shall render a decision on the appeal.

An appellant that has an appeal denied by the Department of Children and Families Deputy Secretary shall have the right to appeal the decisions to the Secretary of the Department of Children and Families, 201 East Washington Avenue, P.O. Box 8916, Madison, WI 53708-8916. The written appeal must be based on one or more of the factors listed above and must fully explain the basis for appealing the Department of Children and Families Deputy Secretary's denial. The written appeal to the Department Secretary must be received in that office no later than five (5) business days (from the day postmarked) after the appeal is denied by the DCF Deputy Secretary. The Department Secretary shall review the appeal and render a final decision of the contract.

**3.11. Negotiate contract terms**

The Department reserves the right to negotiate the terms of the contract, including the award amount with the selected proposer prior to entering into a contract. If contract negotiations cannot be concluded successfully with the highest scoring proposer, the Department may negotiate a contract with the next highest scoring proposer. The Department reserves the right to enter into a single contract with a bidder who is awarded more than one (1) geographical area.

## **4. TECHNICAL RESPONSE ITEMS**

The Evaluation Committee will score the Proposer's responses to the technical items listed in Exhibit 5 Technical Response Items. The narrative responses to these items shall be submitted under Tab 3 of the proposal document as outlined in Section 2.4.

## **5. COST PROPOSAL**

The cost proposal is found in Exhibit 6.

### **5.1. Cost Proposal Scoring Overview**

The cost proposal (found in Exhibit 6) shall be submitted in a separate envelope within the written proposal package. All prices shall be quoted in US dollars.

The Purchasing Agent will score the proposals by calculating the difference of the target amounts of prices and quantities against the proposed prices and quantities using the formulas described below. Prices 50% above the DCF target figures or quantities 50% below the DCF target figures will be considered nonresponsive and result in rejection of the entire proposal.

Maximum evaluation points have been assigned in Section 3.6 of this RFP. Proposers accepting the DCF targets for prices will earn 50% of these maximum points and those proposers who accept the DCF target quantities will also earn 50% of these maximum points. Proposers, who for a given performance outcome propose lower prices will receive proportionately more points on the price score above this 50% level. Proposers, who for a given performance outcome propose a greater quantity, will receive proportionately more points on the quantity score above this 50% level. Those that propose higher prices will receive proportionately fewer points below this 50% level on the price score. Those that propose lower quantities will receive proportionately fewer points below this 50% level on the quantity score.

This method applies to the cost scoring of both capitation and performance outcomes.

#### **5.1.1. Price Score Calculation**

Calculation of points awarded for prices will use the target prices as the numerator and the proposed price as the denominator. The average sum of this price score across

all performance outcomes equally weighted will be multiplied by 50% of the points assigned to this specific category, resulting in a price proposal score.

$$(\text{Target Price} / \text{Proposers Price}) \times 50\% \text{ of maximum evaluation points} = \text{Score}$$

### **5.1.2. Quantity Score Calculation**

Calculation of points awarded for quantities will use the proposed quantity as the numerator and the target quantity the denominator. The average sum of this quantity score across all performance outcomes equally weighted will be multiplied by 50% of the points assigned to this specific category, resulting in a price proposal score.

$$(\text{Proposer's Quantity} / \text{Target Quantity}) \times 50\% \text{ of maximum evaluation points} = \text{Score}$$

$$\underline{\text{Total Proposers Score} = \text{Price Score} + \text{Quantity Score}}$$

### **5.1.3. Scoring of Cost Proposal**

Capitation rate has been assigned 100 evaluation points. These are equally divided between price score and quantity score, assigning 50 points to each.

Performance outcomes have been assigned 200 evaluation points. These are equally divided between price score and quantity score with 100 points each. There are five performance outcomes, so each performance outcome gets 40 points equally divided between price and quantity.

Example 1: If the target price set by DCF on a performance outcome is \$1000 and a proposer bids \$800 price for the same number of outcome attainments, then the performance outcomes awarded for price would be:

$$(\$1000 / \$800) \times (50\% \text{ of } 40 \text{ points}) = 25 \text{ Points}$$

Example 2: If the target quantity set by DCF on a performance outcome was 1,000 and a proposer's bid was for 900 at the same price, then the performance outcomes awarded for quantity would be:

$$900 / 1000 \times (50\% \text{ of } 40 \text{ points}) = 18 \text{ points}$$

## **5.2. Format for submitting cost proposal. Use Cost Proposal (Exhibit 6).**

Submit one original plus one copy per the instructions in section 2.4. Complete and submit only the worksheets relevant to the geographical area being proposed.

## **5.3. Fixed price period**

All prices and conditions outlined in the proposal shall remain fixed and valid for acceptance for one hundred twenty (120) days starting on the due date for proposals.

#### **5.4. Annual renegotiation of prices and quantities**

In August of each contract year DCF will enter into re-negotiations of only the price and quantities of the individual performance outcomes or capitated payments and amounts with the Contractor in each geographical area. These prices and quantities can be renegotiated within the limits of the budget by mutual agreement and appended to the next annual contract. Failure to reach a mutual agreement on prices and quantities will result in either DCF holding the Contractor to its original proposals or termination of contract.

### **6. REQUIRED FORMS**

The following forms shall be completed and submitted with the proposal in accordance with the instructions given in Section 2.4. Blank forms are attached. Failure to submit all forms may result in rejection of your proposal.

#### **6.1. Found in Exhibit 5 Technical Response Items:**

- Form 1: Agency Identification
- Form 2: Affidavit of Fair Competition
- Form 3: Designation of Confidential and Proprietary Information.
- Form 4: Minority Business Preference
- Form 5: Proposer Checklist
- Form 6: Statement of Economic Interests and Filing Fee (see section 2.4)
- Form 7: Relevant Contract List

#### **6.2. Found elsewhere, not in this RFP text document:**

- Acknowledgement of Amendment to the RFP (issued with each amendment)